

**From:** Berl R. Oakley  
**To:** Microsoft ATR  
**Date:** 12/14/01 10:02am  
**Subject:** Microsoft settlement

Dear Judge Kollar-Kotelly:

I am e-mailing with respect to the proposed Microsoft antitrust settlement. It is my firm belief that the proposed settlement is inadequate to prevent Microsoft from continuing its pattern of abuse of its monopoly power. Indeed, judge Jackson's remedy was probably inadequate. A more reasonable solution would have been to break the company into four or more companies. The currently proposed remedy is clearly and obviously inadequate. It is important to note that Microsoft has engaged in illegalities repeatedly and over a very long period of time. It has successfully thumbed its collective nose at previous rulings and has shown that it can not be trusted in any way. In addition, the wide-spread use of Microsoft software (particularly in the networking area) is a threat to national security. Microsoft has been very weak on security issues and the wide-spread use of a single platform makes us particularly vulnerable. Given the damage caused by kids engaged in mischief, it is frightening to consider the damage that could be caused by a serious cyberterrorist.

In addition, antitrust enforcement has been much too permissive in recent years. For one example of many, we get our news from fewer and fewer sources because of mergers of news organizations. This is unhealthy for democracy. When companies become very large and the management makes serious mistakes, the entire country suffers. Japan certainly has experienced this in the past decade in the banking sector. There are only a small number of banking corporations in Japan and they all made bad real estate loans a decade or more ago. This has stifled credit flow and hindered economic recovery. The Enron debacle in the US may have similar (although one hopes not as severe) consequences. It is time for antitrust enforcement to regain some teeth. A just penalty for Microsoft must include, at a very minimum, the following.

First, Microsoft products must be extra-cost options on computers. Now they are bundling products into an operating system that has become extremely expensive (half the cost of an entry level computer). This clearly stifles competition as one is unlikely to pay for a program from a Microsoft competitor if one has already paid for the Microsoft version as part of the operating system or as an add-on that comes with the operating system.

Second, Microsoft applications should be required to use open document formats (such as XML). These document formats must be approved by an independent body (as is the case with XML). Microsoft

must not be allowed to modify<sup>2</sup> these formats to make them Microsoft- or Windows specific. As long as Microsoft's closed formats are a de facto standard, other companies will be at a significant competitive disadvantage. Requiring Microsoft to use open document standards will help level the playing field. The value of open document standards (e.g. HTML, PDF) is apparent from how remarkably they fostered the growth of the internet. If Microsoft is not required to use open document formats, the specifications of their current and future document formats must be made public so that other software development companies can design their software to open, read and save Microsoft format documents. This is a simple matter, but is hugely important.

Third, Microsoft must be forced to respect open standards such as JAVA. This will allow developers to create cross-platform applications which will give users more software choices. Microsoft has responded to the promise of JAVA by producing a modified version that is Windows-specific. This is clearly an effort to hinder the development of cross-platform software and, thus, reduce the choices available.

Fourth, any Microsoft networking protocols must be published in full and approved by an independent network protocol body. It is apparent that Microsoft would like to control the internet (note their .NET strategy). It is of paramount importance that they be prevented from doing so.

Fifth, Microsoft must be required to produce (or in some cases continue to produce) versions of their most popular software such as Word, Powerpoint, Excel, etc. for platforms other than Windows (Macintosh, Linux). These applications must be cost-competitive and features competitive with the Windows versions. This would go some way toward allowing these platforms to compete with Windows.

Please note that I have no financial interest in antitrust actions that might restrict Microsoft. I do not work for a Microsoft competitor and I suspect that I own more Microsoft stock through mutual funds than that of all of its competitors. My motivations are simply an interest in fairness and the well being of our country.

Yours sincerely,

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